

Hearing Date: March 3, 2011 at 9:45 a.m (EDT)

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**Objections Deadline: February 11, 2011 at
4:00 p.m. (EST)**

Counsel for Allstate Insurance Company,
as successor in interest to Northbrook Excess
and Surplus Insurance Company, formerly
Northbrook Insurance Company

**UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

In Re:

MOTORS LIQUIDATION
CORPORATION, *et al.*, *f.k.a General
Motors Corp., et al.*

Debtors.

Chapter 11

Case No. 09-50026 (REG)

Jointly Administered

**SUPPLEMENT TO LIMITED OBJECTION OF ALLSTATE INSURANCE COMPANY
TO CONFIRMATION OF THE JOINT CHAPTER 11 PLAN OF
MOTORS LIQUIDATION CORPORATION, *et al***

Allstate Insurance Company, solely as successor in interest to Northbrook Excess and Surplus Insurance Company (“Northbrook”), formerly Northbrook Insurance Company, by and through its undersigned counsel, hereby submits this supplement (the “Supplement”) to its limited objection to confirmation of the Joint Chapter 11 Plan of Motors Liquidation Corporation, et al. (“Plan”), ECF No. 9206 (“the Objection”). In support of the Supplement, Northbrook respectfully submits as follows:

In the *Debtors’ Memorandum of Law in Support of Confirmation of Amended Joint*
{10619930:1}

Chapter 11 Plan and Response to Objections to Plan, ECF No. 9389, the Debtors indicated that certain filed objections to confirmation of the *Debtors' Amended Joint Chapter 11 Plan*, ECF No. 8015 (the "Plan"),¹ are not in strict compliance with ¶ 32 of the *Case Management Order #1*, ECF No. 157 (the "Case Management Order"). The Case Management Order at ¶ 32.

In the Objection, Northbrook cited to *In re Chemtura Corp.*, No. 09-11233 (Bankr. S.D.N.Y. Nov. 3, 2010). In an abundance of caution, Northbrook files this supplement to provide further detail regarding the Chemtura decision and the plan of reorganization cited in Northbrook's Limited Objection. Copies of these documents, are attached hereto as Exhibit A and Exhibit B.

- *In re Chemtura Corp.*, No. 09-11233 (REG) (Bankr. S.D.N.Y. Oct. 29, 2010), ECF No. 4387 (the "Chemtura Plan"). The confirmed plan of reorganization provided for an insurance neutrality provision which was negotiated by the Debtors and certain objecting insurers. *See* Chemtura Plan at page 58 section 15.14.
- As part of the Court's Findings of Fact and Conclusions of Law, the Court ruled that regardless of whether an insurance policy is an executory contract or not, nothing in the Plan should be construed as an admission by any party that the policy(ies) exist, provide any coverage, or is or is not an executory contract. *See In re Chemtura Corp., et al.*, No. 09-11233 (REG), (Bankr. S.D.N.Y. Nov. 3, 2010), ECF No. 4409, at paragraph 132.

WHEREFORE, for all the reasons set forth the Objection as supplemented herein, Northbrook respectfully requests that the Court (i) require the modifications detailed in the Objection, and (ii) grant Northbrook such other and further relief as this Court deems just, proper and equitable.

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Plan.

Dated: February 25, 2011

Respectfully submitted,

WINDELS, MARX, LANE
& MITTENDORF, LLP

By: /s/ Stefano Calogero

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EXHIBITS A-B

Due to the volume of the documents, Exhibits A and B have not been filed. Copies of the documents will be delivered to chambers. Copies of the documents may be obtained by e-mailing ncurto@windelsmarx.com.